

CITY OF LINCOLN/LANCASTER COUNTY

**CONTRACT AWARD NOTIFICATION
SPECIFICATION NO.03-147
ANNUAL REQUIREMENTS FOR
SNACK FOOD VENDING SERVICES
FOR COUNTY CORRECTIONS**

DATE: July 21, 2003

CONTRACT PERIOD: August 1, 2003 thru July 31, 2006

CONTRACTOR: LinPepCo Snacks
1901 Windhoek Drive
P.O. Box 22703
Lincoln, Nebraska 68512

**PURCHASING DIVISION
K-STREET COMPLEX
440 SOUTH 8TH STREET
LINCOLN, NEBRASKA 68508
(402) 441-7410**

Company Representative: Myron Jensen
Telephone No.: 402/423-7335
FAX No.: 402/423-0852
E-Mail Address:

THE CITY/COUNTY'S SPECIFICATIONS AND THE CONTRACTOR'S ACCEPTED PROPOSAL AND PRICING SCHEDULES, NOW ON FILE IN THE OFFICE OF THE CITY CLERK AND/OR THE COUNTY CLERK, ARE ADOPTED BY REFERENCE AND ARE AS FULLY A PART OF THIS CONTRACT FOR THE ABOVE-NAMED COMMODITY AS IF REPEATED VERBATIM HEREIN.

AS PER SIGNED AND APPROVED CONTRACT AGREEMENT OF JULY 8, 2003

NO ACTION NEED BE TAKEN BY THE CONTRACTOR AT THIS TIME. ORDERS FOR MATERIAL WILL BE MADE AS NEEDED BY THE VARIOUS CITY/COUNTY DEPARTMENTS.

DEPARTMENTS REQUIRING CATALOGS AND/OR PRICING SCHEDULES SHALL NOTIFY THE CONTRACTOR DIRECTLY.

Approved 7/8/03

SNACK FOOD VENDING SERVICES AGREEMENT

FILED
C-03-0358
JUL - 9 2003

THIS AGREEMENT, made this 15 day of July, 2003, by and between

LinPepCo Snacks, 1901 Windhock Drive, Lincoln, NE, hereinafter referred to as **CONTRACTOR**,

AND **LANCASTER COUNTY** hereinafter referred to as **COUNTY**.

WHEREAS, the COUNTY wishes to engage CONTRACTOR in accordance with the terms and conditions herein to provide certain snack food vending services; and

WHEREAS, CONTRACTOR desires to perform said services for the COUNTY in accordance with the terms and conditions as stated in County Specification #03-147 (**Attachment #1**) & hereby provided;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. CONTRACTOR shall pay to the COUNTY an amount equal to twenty-five percent (25 %) of gross revenue derived from such snack food vending services.
 - 1.1 Calculations shall be based on gross revenue receipts without any allowance or deduction for operational costs, taxes (**other than Nebraska sales tax**) equipment charges, or other fees, expenses, or payments to suppliers.
 - 1.2 Payments shall be made to the COUNTY monthly, on or before the fifteenth (15th) day of each month for the preceding calendar month; and any balance remaining unpaid upon termination of this agreement shall be paid within fifteen (15) days after date of such termination.
 - 1.3 An additional ten (10%) percent per month late fee will be applied to any late payments not received by the fifteenth (15th) day of any month.
 - 1.4 Payments shall be delivered to Lancaster County Corrections Department, 675 So. 10th Street, Lincoln, Nebraska.
 - 1.5 Monthly payments can be made as one lump sum covering all locations; however, such lump sum payments must be accompanied by a statement showing gross revenue of each location.
 - 1.6 The COUNTY may inspect the financial records of the CONTRACTOR as pertains to this agreement at any time.
2. CONTRACTOR shall Guarantee an Annual Minimum Commission (GMAC) of twenty-five thousand dollars (\$25,000.00).
 - 2.1 For the purpose of calculation the time period used shall include the twelve (12) consecutive months immediately following the date the contract is ratified by the County Board of Commissioners, and the amount of commission paid shall be the sum of all twelve monthly commission amounts earned and due the COUNTY during this time

period whether or not CONTRACTOR has actually completed the payment to the COUNTY.

2.2 The Commission percentage and GMAC shall be firm and fixed for the duration of the contract period and any extensions thereof.

3. The CONTRACTOR shall pay to the COUNTY an additional one time sum of **six thousand dollars (\$6,000)** upon ratification of the contract documents by the COUNTY.

3.1 The initial payment is based on a three year (3 yrs.) Contract term.

3.1.1 If the COUNTY should initiate termination of the contract within the first three years (3 yrs.) for any reason, other than non-performance on the part of the CONTRACTOR (upon notice from the COUNTY, including a 30 day cure period); a straight line prorated portion of the \$6,000 shall be returned to the CONTRACTOR, by the COUNTY within ninety 90 days of contract cancellation.

3.2 If the contract is renewed for one additional three year (3 yr.) period (as stated in the specifications), the CONTRACTOR shall pay to the COUNTY a sum of **six thousand dollars (\$6,000)** upon mutual written consent of the three year (3 yr.) contract renewal (any cancellation shall require a 30 day cure period).

4. Snack food vending machines shall be provided by the CONTRACTOR at the following Correctional Department locations:

4.1 Locations listed below shall require machines twelve (12) months per year:

	<u>LOCATION</u>	<u>ADDRESS</u>	<u># MACHINES</u>
4.1.1	Maximum Security Jail,	605 So. 10 th Street, Lincoln, NE	<i>Min. 3</i>
4.1.2	Lancaster Co. Facility,	4420 N.W. 41 st Street, Lincoln, NE	<i>Min. 10</i>
4.1.3	Juvenile Detention Ctr.,	1200 Radcliff Street, Lincoln, NE	<i>Min. 3-4</i>

(As per interlocal governmental cooperative purchase request - **Attachment #4**)

5. Machines shall dispense a variety of selections, to be agreed upon between the CONTRACTOR and the COUNTY and the selections shall be attached to this agreement.

5.1 All machines shall be self-contained and shall have coin change capability.

5.2 CONTRACTOR shall provide at least one (1) bill changer capable of changing \$1, \$5, \$10 and \$20 bills at the Minimum security facility.

6. The COUNTY will furnish space for the machines to be located in our facilities and all electricity used for these operations.

7. CONTRACTOR shall furnish all materials, supplies and labor required in the operation of the agreement at his own expense.

8. Servicing of machines with snack packages and related equipment repair service shall be of the same quality offered to the retail segment of trade.
 - 8.1 Machines damaged by vandalism, accident, or natural occurrences shall be replaced at CONTRACTOR's expense within twenty-four (24) hours of notification.
9. Hours of operation shall be those during which the facilities agree with CONTRACTOR.
 - 9.1.1 Vending machines at the 10th street Jail facility will be accessible twenty-four hours per day seven days per week.
 - 9.1.2 Vending machines at the N.W. 41st St. LCF minimum security facility will be accessible:

Sun. - Thurs.	5:30 a.m. thru 10:30 p.m.
Fri. - Sat.	5:30 a.m. thru 12:30 a.m.
10. Machines shall be located within or about the specified building at the direction of the supervisor in charge of the facility.
11. The vending price at all facilities covered by this agreement shall not exceed normal retail prices.
 - 11.1 Vend prices for Juvenile Detention will be lowered and no commission will be paid.
12. CONTRACTOR shall provide snack food vending services strictly in compliance with all the ordinances of the City and laws of the State of Nebraska now and hereafter in effect during the term of this agreement.
11. CONTRACTOR shall provide general liability insurance in the amount of \$2,000,000.00 combined single limit for products liability insurance, property damage insurance and personal injury insurance (See "Insurance Requirements for All County Contracts").
12. This agreement shall not be assigned by CONTRACTOR except upon the express written permission of the COUNTY.
13. CONTRACTOR agrees to fulfill and perform all obligations contained in the contract document which references and incorporates the County Specifications #03-147 due June 4, 2003 (**Attachment #1**), "County Insurance Requirements for all Contracts" (**Attachment #3**), CONTRACTOR's accepted proposal (**Attachment #2**), addenda, attachments and clarifications including price and/or services negotiations (**Attachment #4**).
14. It is agreed that the CONTRACTOR shall not be considered an employee of the COUNTY for any purpose, but shall be an *independent contractor* for all purposes and *in all situations*.
 - 14.1 As an independent contractor, the CONTRACTOR shall be responsible for all required reporting income and payments of taxes required by the Federal, State, or Local statutes including, but not limited to: payments required under the Federal Insurance Contribution

Act, Income tax, withholding and periodic payment of estimated taxes, and payments required under the Federal Unemployment Tax Act, and any applicable State and Local sales, use or income taxes.

14.2 Each party shall be responsible for its own negligence and the negligence of its employees.

15. This agreement may be terminated at any time by either party hereto upon thirty (30) days written notice.

The term of this agreement shall be three (3) years, August 1, 2003 through July 31, 2006, with an option to renew in writing for one additional three (3) year term, beginning August 1, 2006 through July 31 2009.

EXECUTION BY LANCASTER COUNTY, NEBRASKA

CONTRACT APPROVED AS TO FORM:

COUNTY OF LANCASTER, NEBRASKA:

David M. Johnson
for (Lancaster County Attorney)

Bernie Nece
(Chairperson, Board of Commissioners) 7/15/2003

EXECUTION BY CONTRACTOR

IF A CORPORATION:

IF OTHER TYPE OF ORGANIZATION:

ATTEST:

Steve Furt (SEAL)
Secretary

LinPepe Corporation
Name of Corporation LinPepe Truck Company
1901 Windbrook Drive, Lincoln, NE
Address

By: Steve Furt
Duly Authorized Official

President
Legal Title of Official.

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